



The Insider

www.senate.mi.gov/switalski

Inside State Politics with State Senator Mickey Switalski Senate District 10

October 1, 2004

Welcome to the electronic version of *The Insider*. I would like to take the opportunity to thank you for your support and for giving me an opportunity to represent you in the Michigan Senate. It is my sincere hope that this bi-weekly e-newsletter will keep you informed of the happenings in Lansing while staying true to the traditional style of *The Insider*. If you would like to contact me, please feel free to e-mail me at senmswitalski@senate.michigan.gov or call me at my Roseville or Lansing office. You can also meet me in person during my constituent hours, coming to a library near you. Call my office and make an appointment or just walk in. See schedule for details.

Governor Signs 2004-05 Fiscal Year Budget

It was a long and arduous route to get to this point, but the 2004-05 fiscal year budgets are finalized and have been signed into law by Governor Granholm just hours prior to the start of the new fiscal year.

It wasn't a pretty sight. At times, the budget negotiations were downright ugly, a dogfight up to the bitter end. Finally, a budget solution was reached and a compromise was found.

The fiscal year begins on October 1st, and the state constitution requires a balanced budget. The fiscal year 2004-05 budget features a combination of revenue enhancements such as the cigarette tax increase and the casino tax increase, spending cuts and tax shifts. The Michigan legislature had to address a \$1.3 billion cut for the fiscal year.

One of the most contentious issues of the budget, the early collection of county property taxes, was passed by the House on September 22nd. The original plan proposed by the Governor required the county property taxes to be paid in July instead of December, starting next year. However, the legislation was altered to phase in the shift gradually over three years to help minimize the impact on taxpayers, their escrow accounts, and the local governments that serve them. (Please see the September 17th issue of the *Insider E-newsletter* for details.)

I would like to thank my colleagues in the legislature and Governor Granholm for their efforts in working in a bipartisan matter to complete the budget.

Highlights of the budget include:

* **Transportation:** The Michigan Department of Transportation budget (House Bill 5528) consists mostly of federal funds but the legislature raised the issue of oversight over MDOT's operations.

Language that was added to the Transportation bill by the House, would give the legislature the right to veto the annual five-year plan developed by MDOT for its road construction and expansion programs. This addition came as a result of Governor Granholm's veto of 34 road projects during the last fiscal year, which the legislature fought successfully to restore 17 projects.

The Attorney General's Office issued an informal opinion that the provision would be an unconstitutional violation of separation of powers and the Governor excised the language when signing the bill.

* **Corrections:** The Michigan Department of Corrections budget (SB 1064) features a \$12.8 million reduction in state spending. This is done by reducing the number of prison shifts that employees must work to guard towers at two high level prisons. The towers would be unmanned only when prison inmates are locked in their cells. The bill would also close a women's prison in Plymouth Township and move the inmates to the Huron Valley Center in Ypsilanti.

* **K-12 Education:** As reported in the September 17th issue of the *Insider E-Newsletter*, the K-12 school aid budget will provide a minimum \$6,700 per student and would restore cuts that were made last year to 20J school districts. The budget would also change the weight of the pupil counts for state funding purposed to a 75/25 count.

* **Higher Education/Community Colleges:** Governor Granholm's offer to restore three percent of the cuts that public universities and community colleges received during the last fiscal year was approved by the legislature, albeit at a different percentage.

The Governor's original proposal, the restoration would occur if the universities and community colleges pledge to hold their tuition increases to the Detroit Consumer Price Index, which was 2.3 percent. The legislature settled on a 2.8 percent rate that gave a slight break to the universities and community colleges.

Western Michigan University, Lake Superior State University and Northern Michigan University would have to refund some of the fee increases that they implemented in order to comply with the tuition restraint agreement.

* **Environmental Quality:** The Department of Environmental Quality will receive almost a 10 percent cut from last year's levels. The state would save about \$21 million by eliminating funding for new cleanup projects. Cleanup projects that are currently underway will continue. Governor Granholm also vetoed \$250,000 of funding for a water quality monitoring project in the St. Clair River watershed.

* **Community Health:** The Community Health budget (SB 1063) contains two percent less general fund revenue than last year. Despite all of this, the cigarette tax increase which passed earlier this year is being used to offset the increasing caseload of Medicaid recipients and funding cuts from the federal government.

The Community Health budget also restored funding for chiropractic, hearing aid, and podiatry services for Medicaid recipients that were cut last year.

For further information on the budget bills, please log on to www.michiganlegislature.org or to the nonpartisan Senate Fiscal Agency (<http://www.senate.michigan.gov/sfa/>).

Mickey's TV Insider Show

Check out my TV Insider Show coming to a television station near you. Watch me interview local guests about politics, life, issues and concerns to our district.

Sterling Heights

Every Saturday and Sunday at 12:30 p.m.
(Comcast Channel 5/WOW Channel 10)

Utica

Every Wednesday at 9 a.m.
(Comcast Channel 5/WOW Channel 10)

Clinton Township

Last week of every month- Sat thru Thurs
(Comcast Channel 5/WOW Channel 10)

Roseville

Every other Tuesday at 6:05 p.m.
(Comcast Channel 18)

*Please note that Sterling Heights/Utica/Clinton Township will show the TV Insider Show on Comcast Channel 5 and Wide Open West Channel 10. Clinton Township will air the TV Insider Show at various times during the last week of every month. Roseville can see the TV Insider Show on Comcast Channel 18.

Coffee Hours

*Please note that since the District Office is in Roseville, I do not have set coffee hours in Roseville. However, I encourage you to visit the Roseville office. We even have a coffee pot. Everyone is welcome to attend the coffee hours and discuss their issues and concerns.

**Oct. 4
7-9 p.m.**

Location: Sterling Heights Public Library
(40255 Dodge Park)

**Oct. 25
7-9 P.M.**

Location: Clinton-Macomb Public Library
(40900 Romeo Plank Road, south of Canal)

Contact My Office

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